

## Message Text

LIMITED OFFICIAL USE

PAGE 01 PARIS 13364 01 OF 02 311841Z

43

ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03 SS-20

USIA-15 EB-11 COME-00 DOTE-00 TRSE-00 EPA-04 DRC-01

FEAE-00 /116 W

----- 105889

R 311819Z MAY 74

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 9589

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY ROME

USMISSION EC BRUSSELS

AMCONSUL BORDEAUX

AMCONSUL LYON

AMCONSUL MARSEILLE

AMCONSUL NICE

AMCONSUL STRASBOURG

LIMITED OFFICIAL USE SECTION 01 OF 02 PARIS 13364

E.O. 11652:N/A

TAGS: EGEN, FR

SUBJECT: THE GISCARD GOVERNMENT: ORGANIZATION FOR  
DEALING WITH FOREIGN ECONOMIC POLICY

1. ALTHOUGH THE PICTURE IS STILL INCOMPLETE, ENOUGH IS  
ALREADY KNOWN ABOUT THE ORGANIZATION OF THE GISCARD  
GOVERNMENT AS IT AFFECTS FOREIGN ECONOMIC POLICY TO  
JUSTIFY A PRELIMINARY REPORT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 PARIS 13364 01 OF 02 311841Z

2. FOREIGN TRADE: ALTHOUGH, AS WE HAVE REPORTED, GISCARD DID NOT BREAK THE MINISTRY OF ECONOMY AND FINANCE INTO TWO SEPARATE MINISTRIES, HE HAS ANNOUNCED THAT HE WILL CREATE A NEW POST OF SECRETARY OF STATE FOR FOREIGN TRADE. (THE NAMES OF THE SECRETARIES OF STATE, OR JUNIOR MINISTERS, WILL BE ANNOUNCED AROUND JUNE 9.) THE SECRETARY OF STATE FOR FOREIGN TRADE WILL BE "AUTONOMOUS," WHICH MEANS THAT, WHILE HE WILL NOT BE A FULL-FLEDGED MEMBER OF THE CABINET, NEITHER WILL HE BE ATTACHED TO ANY OF THE MINISTRIES. HE WILL THUS HAVE CONSIDERABLY MORE FREEDOM OF ACTION THAN NORMAL SECRETARIES OF STATE, PRESUMABLY REPORTING ONLY TO THE PRIME MINISTER (AND ON OCCASION PROBABLY THE PRESIDENT AS WELL). THE SECRETARY OF STATE FOR FOREIGN TRADE WILL PRESUMABLY TAKE OVER FROM THE MINISTRY OF ECONOMY AND FINANCE THE DREE (DIRECTORATE FOR EXTERNAL ECONOMIC RELATIONS). WHAT IS LESS CLEAR IS HOW THE FOREIGN TRADE ROLE OF THE ECONOMIC DEPARTMENT OF THE MINISTRY OF FOREIGN AFFAIRS, PRESENTLY HEADED BY JEAN-PIERRE BRUNET, WILL BE AFFECTED. SO FAR AS WE ARE AWARE, BOTH DE MOREL, THE HEAD OF DREE, WHO THOUGH NOT A MEMBER OF HIS INNER CIRCLE, REPORTEDLY ENJOYS THE CONFIDENCE OF GISCARD, AND BRUNET WILL REMAIN IN THEIR PRESENT POSITIONS.

3. TRANSPORTATION: IN PREVIOUS MESSMER GOVERNMENT TRANSPORT WAS AMONG RESPONSIBILITIES OF MINISTER OF EQUIPMENT GUICHARD, WITH DAY-TO-DAY RESPONSIBILITY DELEGATED TO SECRETARY OF STATE FOR TRANSPORT ACHILLE-FOULD WHO REPORTED TO GUICHARD. GISCARD'S ASSIGNMENT OF OVER-ALL RESPONSIBILITY FOR TRANSPORT TO AN "AUTONOMOUS" SECRETARY OF STATE MEANS DOWNGRADING OF TRANSPORT FUNCTION IN ONE SENSE, THOUGH PRESUMABLY SECRETARY OF STATE FOR TRANSPORT, LIKE OTHER "AUTONOMOUS" SECRETARIES, WILL REPORT DIRECTLY TO PRIME MINISTER. THERE HAS BEEN PRESS SPECULATION THAT ACHILLE-FOULD HAS GOOD CHANCE OF BEING REAPPOINTED TO THIS POST. MOREOVER, DURING VISIT OF DOT UNDERSECRETARY BARNUM EARLIER THIS MONTH, ACHILLE-FOULD TOLD HIM THAT HE EXPECTED TO ATTEND ECMT MEETING IN LATE JUNE "SUBJECT, OF COURSE, TO OUTCOME OF PRESIDENTIAL ELECTION," WHICH SUGGESTS THAT AS OF THEN HE HAD LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 PARIS 13364 01 OF 02 311841Z

SOME ASSURANCE THAT HE WOULD RETAIN HIS POST IF GISCARD WAS ELECTED. SINCE THEN, HOWEVER, WE HAVE BEEN TOLD THAT, WHILE ACHILLE-FOULD HAS BEEN FORMALLY OFFERED POST BY GISCARD, HE HAS NOT YET DECIDED TO ACCEPT (APPARENTLY HIS PARTY (CDP) BELIEVES OFFERING IT ONLY ONE JUNIOR MINISTER POST MERELY ADDS INSULT TO INJURY). IF ACHILLE-FOULD IS REAPPOINTED, THEN MINISTERIAL LEVEL TALKS WITH BRITISH ON FUTURE OF CONCORDE PROGRAM COULD

RESUME VERY QUICKLY, SINCE ACHILLE-FOULD KNOWS THE  
DOSSIER AND WOULD MERELY HAVE TO PICK UP THE DISCUSSIONS  
HE COMMENCED WITH WEDGEWOOD-BENN ON MARCH 29. AS  
REGARDS POSITION OF NEW GOF RE CONCORDE AT THAT TIME,  
IT WILL BE RECALLED THAT GISCARD PLEDGED DURING HIS  
CAMPAIGN TO CONTINUE CONCORDE PROGRAM (PARIS 10732) AND  
FRENCH PRESS HAS ALSO NOTED HIS RECENT MESSAGE ALONG  
THOSE SAME LINES TO BRISTOL AIRCRAFT WORKERS (LONDON  
6556). WHILE IT WOULD THUS BE DIFFICULT FOR GISCARD  
NOW TO RENEGE ON THAT PLEDGE AND TO DO SO WOULD INVITE  
SERIOUS LABOR TROUBLE AND ATTACK FROM THE LEFT THAT HE  
CAN ILL AFFORD AT THIS STAGE, IT WILL BE INTERESTING TO  
SEE HOW COLLEGIAL SOLIDARITY WORKS WITHIN GOF NOW THAT

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 PARIS 13364 02 OF 02 311841Z

43

ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03 SS-20

USIA-15 EB-11 COME-00 DOTE-00 TRSE-00 EPA-04 DRC-01

FEAE-00 /116 W

----- 105903

R 311819Z MAY 74

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 9590

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY ROME

USMISSION EC BRUSSELS

AMCONSUL BORDEAUX

AMCONSUL LYON

AMCONSUL MARSEILLE

AMCONSUL NICE  
AMCONSUL STRASBOURG

LIMITED OFFICIAL USE SECTION 02 OF 02 PARIS 13364

CABINET INCLUDES JEAN-JACQUES SERVAN-SCHREIBER (MINISTER OF REFORMS), WHO PERSONALLY AND WITH HIS MAGAZINE L'EXPRESS HAS BEEN ONE OF LOUDEST AND MOST OUTSPOKEN CRITICS OF CONCORDE.

4. ENERGY: AS WE HAVE REPORTED, THE DELEGATION GENERAL FOR ENERGY WILL BE ATTACHED TO THE MINISTRY OF INDUSTRY.  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 PARIS 13364 02 OF 02 311841Z

IN THE PREVIOUS GOVERNMENT, IT WAS ATTACHED DIRECTLY TO THE OFFICE OF THE PRIME MINISTER FROM THE TIME OF ITS CREATION LAST AUTUMN. THIS WAS A CONSEQUENCE OF MESSMER'S LACK OF CONFIDENCE IN CHARBONNEL, AT THAT TIME THE MINISTER FOR INDUSTRY. WITH INDUSTRY NOW IN THE HANDS OF D'ORNANO, ONE OF GISCARD'S CLOSEST ASSOCIATES, ATTACHMENT TO THE PRIME MINISTER'S OFFICE IS NO LONGER NECESSARY. WE UNDERSTAND THAT JEAN BLANCARD, THE DELEGATE GENERAL FOR ENERGY, IS UNHAPPY ABOUT THIS CHANGE AND IT IS NOT YET CERTAIN THAT HE WILL REMAIN IN HIS JOB.

5. EC POLICY: JEAN RENE BERNARD EXPECTS TO CONTINUE IN HIS POSITION AS SECRETARY GENERAL OF THE INTERMINISTERIAL COMMITTEE ON EUROPEAN ECONOMIC COOPERATION FOR AT LEAST ANOTHER YEAR OR TWO, IN WHICH CAPACITY HE IS ATTACHED TO THE PRIME MINISTER'S OFFICE. (HIS APPOINTMENT AS DEPUTY SECRETARY GENERAL OF THE ELYSEE OF COURSE ENDED WITH POMPIDOU'S DEATH.) WE ARE TOLD THAT BERNARD'S STANDING WITH GISCARD AND CHIRAC IS NOT PARTICULARLY HIGH AND THE CHANCES OF HIS MOVING UP TO A MORE IMPORTANT POSITION LATER ON DO NOT SEEM ESPECIALLY GOOD. NONETHELESS, THE SECRETARY GENERAL POSITION CAN BE INFLUENTIAL. (BERNARD MADE IT CLEAR TO US THAT HE HAD PLAYED A KEY ROLE IN OVERCOMING INTERNAL GOF RESISTANCE TO THE FINAL SETTLEMENT OF ARTICLE 24:6.)

6. THE ELYSEE: SO FAR GISCARD HAS NOT NAMED AN ECONOMIC AND FINANCIAL ADVISOR TO THE PRESIDENT, A POST HELD BY BERNARD AND, AFTER HE MOVED UP TO DEPUTY SECRETARY GENERAL OF THE ELYSEE, BY MICHEL FREYCHE UNDER PRESIDENT POMPIDOU. WE UNDERSTAND THAT FOR A TIME AT LEAST BROSSOLETTE, THE NEW SECRETARY GENERAL OF THE ELYSEE,

AND HIS DEPUTY CANNAC INTEND TO EXERCISE OVERALL RESPONSIBILITY FOR ECONOMIC AND FINANCIAL MATTERS. IN ADDITION, SEVERAL TECHNICAL COUNSELORS HAVE BEEN APPOINTED WHO WILL DEAL WITH SPECIALIZED ECONOMIC SECTORS SUCH AS INDUSTRIAL POLICY. JEAN SERISE WHO WAS KNOWN AS GISCARD'S "ACTION MAN" AT THE FINANCE MINISTRY AND WHO HAS BEEN MADE A SENIOR ADVISOR AT THE ELYSEE, MAY ALSO HAVE A ROLE IN ECONOMIC POLICYMAKING.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 PARIS 13364 02 OF 02 311841Z

7. TREASURY: BROSSOLETTE'S DEPARTURE TO ELYSEE LEAVES VACANT IN FINANCE MINISTRY KEY POST OF DIRECTOR OF TREASURY WITH RESPONSIBILITY FOR INTERNATIONAL MONETARY QUESTIONS AND OTHER EXTERNAL FINANCIAL MATTERS. WE UNDERSTAND THAT THE TWO LEADING CANDIDATES FOR THE JOB ARE BROSSOLETTE'S TWO DEPUTIES, JACQUES DE LAROSIERE AND JEAN-YVES HABERER. WE ALSO UNDERSTAND THAT LAROSIERE, WHO HAD ALSO BEEN SERVING AS GISCARD'S DIRECTEUR DU CABINET IN FINANCE MINISTRY SINCE BEGINNING OF YEAR, HAS A SLIGHT EDGE. A DECISION ON THIS APPOINTMENT SHOULD BE FORTHCOMING SHORTLY, PARTICULARLY WITH FINAL MEETING OF COMMITTEE OF TWENTY TAKING PLACE IN WASHINGTON DURING SECOND WEEK IN JUNE.

8. BANK OF FRANCE: DE LATTRE, VICE GOVERNOR OF THE BANK, TELLS US THAT RELATIONS BETWEEN WORMSER AND GISCARD, WHICH HAVE OCCASIONALLY BEEN STRAINED IN THE PAST, ARE REASONABLY GOOD NOW AND THAT HE EXPECTS WORMSER TO STAY ON AT LEAST FOR A WHILE. HOWEVER, WITH THE NEW ACCENT ON YOUTH, DE LATTRE WOULD NOT BE SURPRISED IF WORMSER, WHO IS NOW 61, WOULD RETIRE IN THE NOT TOO DISTANT FUTURE.

9. COOPERATION: THE MINISTRY OF COOPERATION WILL BE DISCUSSED IN A SEPARATE TELEGRAM.

IRWIN

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC DEVELOPMENT, TRADE, FOREIGN RELATIONS, CABINET, ECONOMIC PROGRAMS, PERSONNEL APPOINTMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 31 MAY 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974PARIS13364  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740138-0238  
**From:** PARIS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t1974053/aaaaacbr.tel  
**Line Count:** 264  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 5  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 02 APR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <02 APR 2002 by boyleja>; APPROVED <13 JUN 2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** THE GISCARD GOVERNMENT: ORGANIZATION FOR DEALING WITH FOREIGN ECONOMIC POLICY  
**TAGS:** EGEN, FR, (GISCARD D'ESTAING, VALERY)  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005